decision that ten international airports in the country be managed by separate companies; if necessary, with foreign participation;

(b) what are the terms and conditions prescribed for the foreign participation; and

(c) the airport-wise estimated expenditure require to be incurred annually?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) to (c) A decision has been taken to corporatise the airports at Delhi, Mumbai, Chennai, Calcutta and the new airport to be constructed at Bangalore, Airports Authority of India (AAI) is in the process of selecting financial and legal consultants to advise on the modalities of corporatisation/restructuring. It is not possible to quantify the estimated expenditure at this

Implementation of the Julka Committee recommendations

4. SHRI AKHILESH **DAS:**
SHRIMATI VEENA VERMA:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Air Traffic Control Staff has again threatened to go on strike to press their demands for further hikes in their wages;

(b) if so, their precise demands and Government's response thereto; and

(c) whether their main demand is for implementation of the Julka Committee Report; and how far the recommendations of the Committee have been implemented and how far the same still remain to be implemented?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) Air Traffic Controllers Guild had sent a notice to Airports Authority of India (AAI) on January, 27, 1999 and resorted to "go slow" from February 1, 1999.

A contingency plan was prepared by the AAI. A notification under ESMA (Essential Services Maintainence Act) has been issued by the National Capital Territory of Delhi on 16.2.99 declaring air traffic services as essential services. A notification has also been issued for conferring on certain Central Government officers the power of arrest, investigation and prosecution under the Suppression of Unlawful Acts Against Safety of Civil Aviation Act Air Traffic Controllers Guild has given an assurance to Delhi High Court on 19.2.99 that there shall be no disruption of flight schedules. AAI has also taken strict disciplinary action by dismissing six delinquent air traffic controllers.

At present flights are operating normally.

(b) The demands of Air Traffic Controllers Guild (ATCG) are 1. Pay parity with the Pilots 2. Duty hours to be reduced from 42 hours a week to 36 hours a week, 3. Payment of Air Traffic Controllers (ATC) Duty Allowance; 4. Creation of more posts S. Increased Human Resource Development allowance 6. Training in neighbouring countries once in two years and in a western country once in a period of 4 years. 7. Payment of higher Conveyance Allowance to Air Traffic Controllers, 8. Payment of higher Children Education Allowance, 9. Free air passage to Air Traffic Controller on domestic sectors.

The officials of the Airports Authority of India and the representatives of the ATC Guild have been meeting from time to time to amicably resolve these issues.

(c) Yes, Sir. The recommendations of the Julka Committee relating to rating allowance, Flight Data Processing Allowance, On the job Training Allowance, Civil Aviation Training Centre Allowance have been accepted and implemented by AAI from November, 1997. The remaining recommendations of Julka Committee have not been accepted by AAI.

Disinvestment of shares of Air India and Indian Airlines

5. SHRI **J.** CHITHARANJAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government intend to disinvest shares of Air India and Indian Airlines;

(b) whether the shares will be given to foreign companies; and

(c) if so, the foreign companies to whom the shares will be sold?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) Yes, Sir.

(b) and (c) As regards Air India Limited, the recommendation of the Divinvestment Commission is under consideration of the Government. In respect of Indian Airlines Limited, it is proposed to undertake a phased disinvestment in Indian Airlines over three years, bringing the Government's equity holding down to 49%. As per the existing domestic air transport policy, foreign investment is allowed upto 40%. However, foreign airlines cannot invest in the domestic sector.

Financial Position of Airports

6. SHRI *A.* VIJAYA RAGHAVAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government have decided to privatise five airports in the country;

(b) if so, the details thereof; and

(c) the steps taken by Government to ensure the financial viability of the remaining airports?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR)1: (a) Yes, Sir.

(b) and (c) It has been decided to corporatise airports at Delhi, Mumbai, Chenai, Calcutta and the new airport to be constructed at Bangalore. Airports Authority of India (AAI) is in the process of selecting financial and legal consultants to advise on the modalities of corporatisation of these airports along with other related issues including the financial viability of the remaining airports consequent upon the corporatization of airports as mentioned above.

Losses suffered by Air India

7. SHRIMATI VEENA VERMA:
SHRI AKHILESH DAS:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Air India continues to incur additional losses during the last three months;

(b) the total loss suffered during the year so far; and

(c) the main reasons to which the losses are attributable and the steps taken/to be taken by the airline to come out of the red?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) and (b) Yes, Sir. As per the provisional results of April-December, 1998, Air India has incurred loss of Rs. 199.76 crores as against projected loss of Rs. 265.26 crores for the period April-December, 98.

(c) The losses are due to increase in expenditure on account of interest and depreciation on new aircraft, reduction in yield due to increased competition and cost of operations, increase in wage bill and other staff costs and landing, handling and navigational charges, depreciation of rupee value, etc.

Air India Limited has taken the following steps to improve the performance:—

(i) Marketing efforts have been stepped upto generate additional revenue.

(ii) Network rationalization and consolidation with emphasis placed on route profitability.

(iii) Reduction in expenditure on outside repairs of aircraft by undertaking more in-house repairs.

(iv) Several posts of India based officers abroad have been abolished.

Upgradation of Lucknow Airport

8. SHRI SANTOSH BAGRODIA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government have decided to upgrade the Lucknow Airport as an international airport; and

(b) whether Government expect that there will be enough traffic from Lucknow to foreign countries; if so, the details threof?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) Lucknow Airport has been developed to handle limited international operations.

(b) Indian Airlines has commenced direct flights from Lucknow to Sharjah with effect from 3rd February, 1999. It is estimated that India Airlines will on an average carry about